

**Statement of Senator Inouye
at Joint Hearing
on Tribal Telecommunications Issues**

May 14, 2002

Good morning. Today's joint hearing, convened by both the Senate Commerce and the Indian Affairs committees, focuses on tribal telecommunications issues. As such, it gives us the opportunity not only to examine the obstacles facing Native communities in obtaining basic telephone and Internet services, but also to chart the important progress being made by many tribes over the past few years. In addition, we appreciate the participation of Mr. Snowden, so that we might be informed of the FCC's recent efforts to fulfill its trust responsibility to federally-recognized Indian tribes and to promote the expanded availability of telephone service on tribal lands.

In today's world, access to telephone service is essential. Telephones permit parents to communicate with their children. They enable people without jobs to contact prospective employers. They allow individuals with health problems to seek emergency medical assistance. And finally, they help businesses

serve and stay in touch with their customers. Similarly, while new by comparison, the Internet is fast becoming a necessary part of modern day life -- not only for communication, but also for access to educational, medical, political, and financial information.

Unfortunately, for too many Native Americans living on tribal lands, these essential services are not yet part of everyday life. Often, a variety of factors contribute to the lack of telephone and Internet service on tribal lands, including: low population density, geographical remoteness, low income, and high unemployment.

In 1999, a Commerce department survey studying the technology infrastructure of Native communities found that only 39% of households in rural Native communities had basic telephone service, and that only 8 percent of rural households in Native communities had access to the Internet. These grim statistics not only fall well below the national average, but also provide a window to the many obstacles facing tribal leaders in encouraging economic development on reservation

lands.

In July of 1999, the Administration took a number of steps to raise awareness of these challenges, including President Clinton's historic visit to the Pine Ridge Indian Reservation in South Dakota -- the first visit to a tribal reservation by a sitting President since President Franklin Roosevelt.

Following this historic visit, the FCC initiated a number of proceedings to reaffirm its commitment in helping federal tribes to meet their communications needs. In June of 2000, the FCC released a Policy Statement acknowledging the sovereignty of federally-recognized Indian tribes and reaffirming its commitment to promoting government-to-government relationships between the FCC and tribes.

Since then, the FCC has initiated other programs designed to expand the availability of telephone service, including an expansion of Universal Service programs for low-income residents living on tribal lands and the creation of wireless bidding credits for new licensees willing to serve Native communities.

Today, we look forward to the testimony of our witnesses to determine if these programs are working, whether we are collecting data sufficient to chart our progress, and what more can and should be done to extend the reach of telephone and Internet service in these areas. As such, we look forward to constructive criticism and new ideas as to how the federal government and the FCC might better encourage the spread of telecommunications services on tribal lands and might better meet its responsibilities to tribal governments.

One item of particular concern is the current process by which competitive telephone carriers apply for eligible telecommunications carrier” or “ETC” designations that are a prerequisite for the receipt of certain universal service subsidies. Under the current process, carriers seeking an ETC designation for service provided on tribal lands may apply to the FCC *only* in cases where the carrier would not be subject to state jurisdiction. Unfortunately, this deference can lead to undue delay as such carriers may face the burden of establishing the proper forum for their application before there is any consideration on the merits of its request. Given the Federal government’s trust relationship with federally-

recognized Indian tribes, I believe that we have an obligation to review these and any procedures that might slow the roll-out of telecommunications services to underserved tribal communities.

Accordingly, I look forward to the testimony of the witnesses and to the questions and comments of my colleagues here today. Let me now yield, to my colleague the ranking member of the Commerce committee and former Chairman of the Indian Affairs committee, Senator McCain.